



1 **"SECTION 3085c.** 285.59 (1) (b) of the statutes is amended to read:

2 285.59 (1) (b) "State agency" means any office, department, agency, institution
3 of higher education, association, society, or other body in state government created
4 or authorized to be created by the constitution or any law ~~which~~ that is entitled to
5 expend moneys appropriated by law, including the legislature and the courts, the
6 Wisconsin Housing and Economic Development Authority, the Bradley Center
7 Sports and Entertainment Corporation, the University of Wisconsin Hospitals and
8 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
9 Aerospace Authority, ~~and~~ the Wisconsin Health and Educational Facilities
10 Authority, and the Healthy Wisconsin Authority."

11 **58.** Page 1497, line 21: after that line insert:

12 **"SECTION 3660d.** 609.01 (7) of the statutes is repealed.

13 **SECTION 3660h.** 609.10 of the statutes is repealed.

14 **SECTION 3660p.** 609.20 (1m) (c) of the statutes is repealed.

15 **SECTION 3660t.** 609.20 (1m) (d) of the statutes is repealed."

16 **59.** Page 1499, line 25: after that line insert:

17 **"SECTION 3665c.** 628.36 (4) (a) (intro.) of the statutes is amended to read:

18 628.36 **(4)** (a) (intro.) The commissioner shall provide information and
19 assistance to ~~the department of employee trust funds,~~ employers and their
20 employees, providers of health care services, and members of the public, as provided
21 in par. (b), for the following purposes:

22 **SECTION 3665g.** 628.36 (4) (b) 1. of the statutes is repealed.

23 **SECTION 3665n.** 628.36 (4) (b) 2. of the statutes is repealed.

24 **SECTION 3665t.** 628.36 (4) (b) 3. of the statutes is repealed."

1 **60.** Page 1504, line 8: after that line insert:

2 “**SECTION 3680b.** 632.87 (5) of the statutes is amended to read:

3 632.87 (5) No insurer ~~or self-insured school district, city or village~~ may, under
4 a policy, plan, or contract covering gynecological services or procedures, exclude or
5 refuse to provide coverage for Papanicolaou tests, pelvic examinations, or associated
6 laboratory fees when the test or examination is performed by a licensed nurse
7 practitioner, as defined in s. 632.895 (8) (a) 3., within the scope of the nurse
8 practitioner’s professional license, if the policy, plan, or contract includes coverage
9 for Papanicolaou tests, pelvic examinations, or associated laboratory fees when the
10 test or examination is performed by a physician.

11 **SECTION 3687d.** 632.895 (8) (f) 4. of the statutes is created to read:

12 632.895 (8) (f) 4. A disability insurance policy providing only health care
13 benefits not provided under the Healthy Wisconsin Plan under ch. 260.

14 **SECTION 3687f.** 632.895 (9) (d) 4. of the statutes is created to read:

15 632.895 (9) (d) 4. A disability insurance policy providing only health care
16 benefits not provided under the Healthy Wisconsin Plan under ch. 260.

17 **SECTION 3687h.** 632.895 (10) (a) of the statutes is amended to read:

18 632.895 (10) (a) Except as provided in par. (b), every disability insurance policy
19 ~~and every health care benefits plan provided on a self-insured basis by a county~~
20 ~~board under s. 59.52 (11), by a city or village under s. 66.0137 (4), by a political~~
21 ~~subdivision under s. 66.0137 (4m), by a town under s. 60.23 (25), or by a school district~~
22 ~~under s. 120.13 (2)~~ shall provide coverage for blood lead tests for children under 6
23 years of age, which shall be conducted in accordance with any recommended lead

1 screening methods and intervals contained in any rules promulgated by the
2 department of health and family services under s. 254.158.

3 **SECTION 3687j.** 632.895 (10) (b) 6. of the statutes is created to read:

4 632.895 (10) (b) 6. A disability insurance policy providing only health care
5 benefits not provided under the Healthy Wisconsin Plan under ch. 260.

6 **SECTION 3687L.** 632.895 (11) (a) (intro.) of the statutes is amended to read:

7 632.895 (11) (a) (intro.) Except as provided in par. (e), every disability
8 insurance policy, ~~and every self-insured health plan of the state or a county, city,~~
9 ~~village, town or school district,~~ that provides coverage of any diagnostic or surgical
10 procedure involving a bone, joint, muscle, or tissue shall provide coverage for
11 diagnostic procedures and medically necessary surgical or nonsurgical treatment for
12 the correction of temporomandibular disorders if all of the following apply:

13 **SECTION 3687n.** 632.895 (11) (c) 1. of the statutes is amended to read:

14 632.895 (11) (c) 1. The coverage required under this subsection may be subject
15 to any limitations, exclusions, or cost-sharing provisions that apply generally under
16 the disability insurance policy ~~or self-insured health plan.~~

17 **SECTION 3687p.** 632.895 (11) (d) of the statutes is amended to read:

18 632.895 (11) (d) Notwithstanding par. (c) 1., an insurer ~~or a self-insured health~~
19 ~~plan of the state or a county, city, village, town or school district~~ may require that an
20 insured obtain prior authorization for any medically necessary surgical or
21 nonsurgical treatment for the correction of temporomandibular disorders.

22 **SECTION 3687r.** 632.895 (11) (e) 3. of the statutes is created to read:

23 632.895 (11) (e) 3. A disability insurance policy providing only health care
24 benefits not provided under the Healthy Wisconsin Plan under ch. 260.

25 **SECTION 3687t.** 632.895 (14) (b) of the statutes is amended to read:

1 632.895 (14) (b) Except as provided in par. (d), every disability insurance policy;
2 and every self-insured health plan of the state or a county, city, town, village or school
3 district, that provides coverage for a dependent of the insured shall provide coverage
4 of appropriate and necessary immunizations, from birth to the age of 6 years, for a
5 dependent who is a child of the insured.

6 **SECTION 3687v.** 632.895 (14) (d) 7. of the statutes is created to read:

7 632.895 (14) (d) 7. A disability insurance policy providing only health care
8 benefits not provided under the Healthy Wisconsin Plan under ch. 260.”.

9 **61.** Page 1644, line 14: after that line insert:

10 “(4c) HEALTHY WISCONSIN PLAN.

11 (a) *Legislative findings.* In establishing the Healthy Wisconsin Plan under
12 chapter 260 of the statutes, as created by this act, the legislature finds all of the
13 following:

14 1. ‘Costs.’ Health care costs in Wisconsin are rising at an unsustainable rate
15 making the need for comprehensive reform urgent. Rising costs are seriously
16 threatening the ability of Wisconsin businesses to globally compete; farms to thrive;
17 government to provide needed services; schools to educate; and local citizens to form
18 new and successful business ventures. Some indicators of rising costs are the
19 following:

20 a. Total health care spending in Wisconsin in 2007 is projected to be \$42.3
21 billion, and is projected to grow 82 percent, to \$76.9 billion, in the next decade.

22 b. The cost of employer-provided health care in Wisconsin increased by 9.3
23 percent in 2006, averaging \$9,516 per employee. This figure is 26 percent more than
24 the national average.

1 c. Employee premium contributions and out-of-pocket costs are rising faster
2 than wages.

3 d. Rising costs have led to a decline in employer-provided health benefits. In
4 1979, 73 percent of private-sector Wisconsin workers had employer-based health
5 insurance coverage; however, only 57 percent received health benefits in 2004.

6 e. At least one-half of all personal bankruptcies in the United States are the
7 result of medical expenses. Over 75.7 percent of this group had insurance at the
8 onset of illness. In 2004, there were 13,454 medical bankruptcies in Wisconsin
9 affecting 37,360 people.

10 f. The costs of health services provided to individuals who are unable to pay are
11 shifted to others. Of the \$22 billion charged by hospitals in 2005, \$736,000,000 was
12 not collected. Those who bear the burden of this cost shift have an increasingly
13 difficult time paying their own health care costs.

14 2. 'Access.' There is a large and increasing number of people who have no health
15 insurance or who are underinsured. For this growing population, health care is
16 unaffordable and, most often, not received in the most timely and effective manner.
17 Some indicators of lack of access to health care are as follows:

18 a. Over one 500,000 Wisconsin residents were uninsured at any given point
19 during 2007.

20 b. Over 65 percent of the uninsured in Wisconsin are employed.

21 c. The uninsured are less likely to seek care and, thus, have poorer health
22 outcomes compared to the insured population.

23 d. In 2007, total spending on the uninsured in Wisconsin is projected to reach
24 over \$1,000,000,000. About 23.2 percent of this amount will be in the form of

1 uncompensated care; 21.7 percent will be provided through public programs; and
2 37.5 percent will be paid by the uninsured individuals.

3 3. 'Inequity.' The health care system contains inequities. Some indicators of
4 inequity are as follows:

5 a. Wisconsin businesses are competing on an uneven playing field. The
6 majority of Wisconsin businesses that do insure their workers are subsidizing those
7 businesses that are not paying their fair share for health care.

8 b. Our current system forces the sick and the aging to pay far higher premiums
9 than the healthy and those covered under group plans, rather than spreading the
10 risk across the broadest pool possible.

11 c. The uninsured face medical charges by hospitals, doctors, and other health
12 care providers that are 2.5 times what public and private health insurers pay.

13 4. 'Inefficiency.' Wisconsin does not have a clearly defined, integrated health
14 care system. Our health care system is complex, fragmented, and disease-focused
15 rather than health-focused, resulting in massive inefficiencies and placing
16 inordinate administrative burdens on health care professionals. Some indicators of
17 inefficiency are as follows:

18 a. Health care financing is accomplished through a patchwork of public
19 programs, private sector employer-sponsored self-insurance, commercial
20 insurance, and individual payers. The most recent study for Wisconsin estimates
21 that about 27 cents of every health care dollar is spent on marketing, overhead, and
22 administration, leaving only 73 cents left to deliver medical care.

23 b. This fragmentation and misaligned financial incentives lead, in some
24 instances, to excessive or inadequate care and create barriers to coordination and
25 accountability among health care professionals, payers, and patients.

1 c. The Institute of Medicine estimates that between 30 cents and 40 cents of
2 every health care dollar is spent on costs of poor quality — overuse, underuse,
3 misuse, duplication, system failures, unnecessary repetition, poor communication,
4 and inefficiency. Included in this inefficiency are an unacceptable number of adverse
5 events attributable to medical errors. Patients receive appropriate care based on
6 known “best practices” only about one-half of the time.

7 d. The best care results from the conscientious, explicit, and judicious use of
8 current best evidence and knowledge of patient values by well-trained, experienced
9 clinicians.

10 5. ‘Limitations on reform.’ Federal laws and programs, such as Medicaid,
11 Medicare, Tri-Care, and Champus, constrain Wisconsin’s ability to establish
12 immediately a fully integrated health care system.

13 6. ‘Wisconsin as a laboratory for the nation.’ Wisconsin is in a unique position
14 to successfully implement major health care reform. Many providers are already
15 organized into comprehensive delivery systems and have launched innovative pilot
16 programs to improve both the quality and efficiency of their care. Wisconsin is at the
17 forefront in developing systems for health information transparency. Organizations
18 such as the Wisconsin Collaborative for Healthcare Quality, Wisconsin Health
19 Information Organization, and the Wisconsin Hospital Association have launched
20 ambitious projects to provide data on quality, safety, and pricing.

21 (b) *Initial terms of Healthy Wisconsin Authority board.* Notwithstanding the
22 lengths of terms of the members of the board of the Healthy Wisconsin Authority
23 specified in section 260.05 (1) of the statutes, as created by this act, the initial
24 members shall be appointed for the following terms:

1 1. One member each from section 260.05 (1) (a), (b), and (g) of the statutes, as
2 created by this act, for terms that expire on July 1, 2009.

3 2. One member each from section 260.05 (1) (a), (b), and (e) of the statutes, as
4 created by this act, for terms that expire on July 1, 2010.

5 3. One member each from section 260.05 (1) (c), (e), and (g) of the statutes, as
6 created by this act, for terms that expire on July 1, 2011.

7 4. One member each from section 260.05 (1) (d), (f), and (g) of the statutes, as
8 created by this act, for terms that expire on July 1, 2012.

9 5. One member each from section 260.05 (1) (a) and (b) of the statutes, as
10 created by this act, for terms that expire on July 1, 2013.

11 6. One member each from section 260.05 (1) (a) and (b) of the statutes, as
12 created by this act, for terms that expire on July 1, 2014.

13 (c) *Provisional appointments.* Notwithstanding the requirement for senate
14 confirmation of the appointment of the members of the board of the Healthy
15 Wisconsin Authority under section 260.05 (1) of the statutes, as created by this act,
16 the initial members may be provisionally appointed by the governor, subject to
17 confirmation by the senate. Any such appointment shall be in full force until acted
18 upon by the senate, and when confirmed by the senate shall continue for the
19 remainder of the term, or until a successor is chosen and qualifies. A provisional
20 appointee may exercise all of the powers and duties of the office to which such person
21 is appointed during the time in which the appointee qualifies. Any appointment
22 made under this subsection that is withdrawn or rejected by the senate shall lapse.
23 When a provisional appointment lapses, a vacancy occurs. Whenever a new
24 legislature is organized, any appointments then pending before the senate shall be

1 referred by the president to the appropriate standing committee of the newly
2 organized senate.

3 (d) *Property tax credit.* If, in 2009, any taxing jurisdiction, as defined in section
4 74.01 (7) of the statutes, reduces the costs of providing health care coverage to its
5 employees as a result of providing that coverage under the Healthy Wisconsin Plan
6 under chapter 260 of the statutes, as created by this act, the taxing jurisdiction shall
7 deposit 50 percent of the savings into a segregated fund. The taxing jurisdiction shall
8 distribute the amounts in the segregated fund to the property taxpayers in the taxing
9 jurisdiction as a credit against the property tax assessments as of January 1, 2010.
10 The credits shall be calculated based on the equalized value of the property, as
11 determined under section 70.57 of the statutes and shall reduce the property taxes
12 otherwise payable in that year.”

13 **62.** Page 1688, line 13: after that line insert:

14 “(4c) HEALTHY WISCONSIN PLAN. The treatment of sections 13.94 (1) (dj) and (1s)
15 (c) 5., 16.004 (7d) and (7h), 40.05 (4) (a) 4., (ag) (intro.), (ar), (b), and (be) and (4g) (d),
16 40.51 (1), (2), (7), (8), and (8m), 40.52 (1) (intro.), (1m), and (2), 40.98 (2) (a) 1., 49.473
17 (2) (c), 49.665 (5) (ag), 49.68 (3) (d) 1., 49.683 (3), 49.685 (6) (b), 49.687 (1m) (d), 59.52
18 (11) (c), 60.23 (25), 66.0137 (4), (4m) (b), and (5), 109.075 (9), 111.70 (1) (dm) and (4)
19 (cm) 8s., 111.91 (2) (pt), 120.13 (2) (b) and (g), 149.12 (2) (em), 609.01 (7), 609.10,
20 609.20 (1m) (c) and (d), 628.36 (4) (a) (intro.) and (b) 1., 2., and 3., 632.87 (5), and
21 632.895 (8) (f) 4., (9) (d) 4., (10) (a) and (b) 6., (11) (a) (intro.), (c) 1., (d), and (e) 3., and
22 (14) (b) and (d) 7. of the statutes, the renumbering and amendment of sections 40.51


1 (6) and 62.61 of the statutes, and the creation of sections 40.51 (6) (b) and 62.61 (1)
2 (b) of the statutes take effect on January 1, 2009.”.

3 (END)

**2007-2008 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb0471/4ins
PJK/RAC/MES/JK:jld:rs

Insert 20-7:

 For the purpose of determining if a municipal employer has maintained current fringe benefits under sub. (1) (nc) 1. a., the commission shall consider the municipal employer to have maintained its health care coverage benefit if the municipal employer provides health care coverage to its school district professional employees through the ^{Healthy} Wisconsin ~~Health~~ Care Plan under ch. 260 and supplements that coverage, if necessary, to produce a health care coverage benefit that is actuarially equivalent to the health care coverage benefit in place before the school district professional employees become covered under the ^{Healthy} Wisconsin ~~Health~~ Care Plan under ch. 260. If a dispute arises concerning the municipal employer's determination of actuarial equivalence or what supplemental benefits are sufficient to achieve actuarial equivalence, the dispute shall be resolved by a neutral person who is designated by the commission.

Insert 58-13:

(d) *Property tax credit.* If with respect to levies imposed for 2009, any taxing jurisdiction, as defined in section 74.01 (7) of the statutes, reduces the costs of providing health care coverage to its employees as a result of providing that coverage under the Healthy Wisconsin Plan under chapter 260 of the statutes, as created by this act, together with any supplemental coverage needed to ensure that the health care coverage provided to employees of the ^{taxing} jurisdiction is actuarially equivalent to the coverage they received in 2008, the taxing jurisdiction shall distribute at least 50% ^{percent} of the savings to the property taxpayers in the taxing jurisdiction as a reduction in the property tax assessments as of January 1, 2009. The reduction shall be

calculated based on the equalized value of the property, as determined under section 70.57 of the statutes and shall reduce the property taxes otherwise payable in that year.”.

MES
45-14

Section #. 40.98 (1) (b) of the statutes is amended to read:

40.98 (1) (b) "Dependent" means a spouse, an unmarried child under the age of 19 years, an unmarried child who is a full-time student under the age of 21 years and who is financially dependent upon the parent, or an unmarried child of any age who is medically certified as disabled and who is dependent upon the parent.

History: 1999 a. 9; 2001 a. 16, 109; 2003 a. 33.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0471/4dn

PJK/RAC/MES/JK:rs

↑
8/11/10

gjs

The changes in this version are as follows:

1. In s. 260.40 (1) (b), we have replaced the cross-reference to s. 40.98 (1) (b) with the actual text from s. 40.98 (1) (b). the reason is that s. 40.98 (1) (b) is sunset under current law to expire on January 1, 2010. This is not a substantive change.
2. Per your request, the text in Section 9155 (4c) (d) is replaced with new text.
3. Per your request, the treatment of s. 111.70 (4) (cm) 8s. is changed. Note that I changed "board" to "commission" at the end of the last scored sentence.

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DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0471/4dn
RAC:cjs:rs

June 22, 2007

The changes in this version are as follows:

1. In s. 260.40 (1) (b), we have replaced the cross-reference to s. 40.98 (1) (b) with the actual text from s. 40.98 (1) (b). the reason is that s. 40.98 (1) (b) is sunset under current law to expire on January 1, 2010. This is not a substantive change.
2. Per your request, the text in Section 9155 (4c) (d) is replaced with new text.
3. Per your request, the treatment of s. 111.70 (4) (cm) 8s. is changed. Note that I changed "board" to "commission" at the end of the last scored sentence.

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